

AS

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 95-829-C - ORDER NO. 95-1519✓  
SEPTEMBER 14, 1995

IN RE: Application of Budget Call Long ) ORDER  
Distance, Inc. for a Certificate of ) APPROVING  
Public Convenience and Necessity to ) CERTIFICATE  
Operate as a Reseller of Telecommuni- )  
cations Services within the State of )  
South Carolina. )

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of Budget Call Long Distance, Inc. (hereinafter referred to as Budget Call or the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of telecommunications services in the State of South Carolina.

The Commission's Executive Director instructed the Company to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas to inform interested parties of the Company's Application and of the manner and time in which to file appropriate pleadings for participation in the proceedings. The Company complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. A Petition to Intervene was filed by the Consumer Advocate for the State of South Carolina (the Consumer Advocate). Subsequently, the Consumer Advocate notified the Commission that

it was satisfied that the Company's filing was consistent with prior dockets, and, therefore, the Consumer Advocate would not participate in the scheduled proceeding.

A public hearing was commenced on August 30, 1995 at 11:30 a.m., in the Commission's hearing room. The Honorable Rudolph Mitchell, Chairman, presided. Frank R. Ellerbe, III, Esquire, appeared on the Company's behalf. Florence P. Belser, Staff Counsel, represented the Commission Staff.

In support of its Application, the Company presented the testimony of Michael J. Nighan, the Company's Regulatory Manager. Mr. Nighan explained the Company's request for authority to provide interexchange telecommunications services in South Carolina as a reseller. He further explained the Company's services, operations and marketing procedures.

According to Mr. Nighan, the Company possesses the technical, financial and managerial abilities to provide its services in South Carolina. Mr. Nighan also testified that the Company would make certain changes to its proposed tariff to comply with the rules and regulations of this Commission.

After full consideration of the applicable law, the Company's Application, and the evidence presented at the hearing, the Commission hereby issues its findings of facts and conclusions of law:

FINDINGS OF FACT

1. The Company is incorporated under the laws of the State of Delaware, and is licensed to do business as a foreign

corporation in the State of South Carolina by the Secretary of State of South Carolina.

2. The Company operates as a non-facilities based reseller of interexchange services and wishes to do so in South Carolina.

3. The Company has the experience, capability and financial resources to provide the services described in its Application.

#### CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to the Company to provide intrastate interLATA service and to originate and terminate toll traffic within the same LATA through the resale of any service authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for the Company for its resale services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re: Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. The Company shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. The Company shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and

therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, Inc., etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1994).

4. The Company shall file its revised tariff and an accompanying price list within thirty (30) days of the date of this Order. The revised tariff shall be consistent with the Commission's Rules and Regulations. Further, the tariff shall be filed in a loose-leaf binder.

5. The Company is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to facilities-based interexchange carriers.

6. With regard to Company's resale of service, an end-user should be able to access another interexchange carrier if they so desire.

7. The Company shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If the Company changes underlying carriers, it shall notify the Commission in writing.

8. With regard to the completion of any interLATA calls,

the Company shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C, (June 3, 1993).

9. The Company shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form is indicated on Attachment A.

10. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)

DOCKET NO. 95-829-C - ORDER NO. 95-1519  
SEPTEMBER 14, 1995  
ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR INTEREXCHANGE COMPANIES AND AOS'S

COMPANY NAME

FEI NO.

ADDRESS

CITY, STATE, ZIP CODE

PHONE NUMBER

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12  
MONTHS ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\* THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,  
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION  
WORK IN PROGRESS, ACCUMULATED DEFERRED INCOME TAX,  
CONTRIBUTIONS IN AID OF CONSTRUCTION AND CUSTOMER DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR  
ENDING \_\_\_\_\_.

\* THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION  
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND  
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE  
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS  
WELL AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT  
(SEE #3 ABOVE).

SIGNATURE

NAME (PLEASE TYPE OF PRINT)

TITLE